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Frank Carlucci  
"The Carlucci Speech"

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FRANK CARLUCCI: Thank you very much, Herb. Listening to your words, I had the impression that you were talking about some guy who couldn't hold a job very long. But I am very pleased to be with you tonight.

I might note that this is one of the first public groups -- I think the first public group that I've had an opportunity to talk to since my confirmation as Deputy Director. And I do feel a little bit like a fish out of water. As Herb indicated, I've served in a lot of government agencies, but this is the first time that I have served in a secret agency. And I'm not sure that I wouldn't be more comfortable talking to you at this point about national health insurance and welfare reform. But I will launch in.

Speaking of the environment that I'm in, though, reminds me of something that occurred to me early on in my diplomatic career, when I was assigned to Kinshasa -- at that time, Leopoldville -- in the Congo. And we had a visit from three American senators, Senators Gore, Hart, and Neuberger. And I was assigned the chore of escorting them. I had arranged for the President of the Congolese Senate to invite them to his house for lunch. It's quite unusual for a Congolese -- or it was at that time -- for a Congolese to invite foreigners to their houses, and even more unusual to see their wives. But as we came up to the door, the President of the Senate came out and he had a woman with him. So I naturally introduced the woman as his wife. We were having cocktails before lunch, and all of a sudden another woman came in, shook hands all the way around, and went over and sat down next to the first woman.

Senator Gore turned to me and said, "Who's she?"

I said, "Well, I guess she's his wife."

He said, "I thought you introduced that other woman as his wife."

I said, "Well, I don't know. Let me ask him."

So I asked him, and he said, "They're both my wives."

So, with that, the interest of the American senators picked up considerably. And the President of the Congolese Senate said, "Well, now, you must understand that over here in the Congo our customs are very different from yours. For example, where I come from, up in the Lac Leopoldder (?) district of the Congo, I'm a big tribal chief. And as a tribal chief, I'd normally be entitled to five or six wives. But since I'm a Catholic, I have only two."

Well, I haven't found too many people in CIA yet with two wives. But it's quite clear that it is a different culture, and by necessity, from other government agencies. The people who work in this agency -- many of them, not all of them, by any means, but many of them have to work under cover. They don't have the traditional rewards that you and I can expect. They may get the question, even from their children, "Daddy, why is it that everybody else gets to be ambassador and you don't get to be ambassador?" In some instances, they have to operate without even letting their family know what they're doing.

This is a very difficult environment, in some cases, certainly. And there are ethical questions that arise. Because, by definition, in attempting to gain intelligence, you are trying to get something that somebody doesn't want you to have. And just the fact that you're under cover raises an ethical question.

And how do you resolve these? Well, you don't. But in the long run you resolve them by knowing that what you're doing is in the overall interest of preserving a system of life that we think is far better than any devised so far in this world.

And as a result, you tend to find, in an agency like this, people who are very highly motivated and very dedicated, willing to work long hours. They're crisis-oriented. Their schedules are irregular. But they are committed.

I find that there's a good deal of misunderstanding, people I talk to, about the nature of intelligence work. We tend to have the popular image in mind, whether it's a James Bond type of spy story or the dramatic incident that you read about from time to time in the newspapers. We tend to focus on that.

But in point of fact, the principal function of this

agency is gathering information, much of it unclassified information, information available in the newspapers, information from embassy reporting, information available in trade journals; information garnered by clandestine means, to be sure. But the job of making a coherent whole out of that administration -- that information is a tedious process. You might pick up a little bit of information in one country, a little bit of information in another country. And normally nobody would relate the two. But you have to set up the kinds of mechanisms for information exchange, whether it's automatic data processing or interaction between people, interaction between committees, that enable the pieces of the puzzle to come together to provide a coherent picture.

Just before I came down here, I happened to have been involved in a crisis that was unfolding bit by bit, and pieces of information were coming in from various corners of the globe. We still don't know the overall picture, but, gradually, it was becoming -- it was beginning to come together. And that requires a good deal of effort, it requires a good deal of management, it requires a good deal of organizational skill, qualities that don't automatically leap to the public mind when the word CIA is mentioned.

And it's perhaps useful, without going into history, to just look for a second at the genesis of the organization, because the classic case of having information and not putting it together is Pearl Harbor. There was plenty of information about what the Japanese were up to, but there was nobody who could put it together in a coherent whole and say, "Watch out. Something is going to happen." There were various signals coming, but the only person that could possibly have put it together at that point in time was the President of the United States. And, obviously, he's consumed with other things and he's not going to sit down and do that.

So, as a result of that experience and various experiences during the war, the country decided that there had to be a central coordinating agency for the intelligence function. And in the early years, that agency was geared principally to military matters and principally to gathering intelligence on potential adversaries: the Soviet Union, China; looking at what might be the overall risk, that might be what is called the strategic balance.

But throughout the course of years, this function has changed considerably, to the point where today we -- our information covers the gamut, running from analysis of 150 countries to problems that require very complex interdisciplinary analysis.

Just to look at a few, the question of the North-South dialogue, the question of nuclear proliferation, the question of petroleum resources. Issues that we never thought of as being fundamental to our security a number of years ago are fundamental today. Even the fall of the dollar has security implications

because it affects attitudes in other countries. It affects their motivations, their approach toward the various problems with which they are dealing.

So, we are engaged much more than previously in looking at economic subjects, looking at resource issues, trying to relate the political to the economic. When you do an analysis of, say, the weapons system of the Soviet Union, it's not just enough to know what weapons they have; you have to look at it in relation to their economic capacity, how that will project into the future, what kinds of resources they can devote to that. And all of that requires a high level of skill.

It requires something else, too. It requires interaction between this agency and the outside world; interaction between us and the business world, as we look at such issues as petroleum reserves; interaction between us and the finance world; interaction, above all, with the academic community.

So, we are not, contrary to the popular image, a self-contained organization; we do draw on others for the kind of broad analysis that is being demanded of us as we move into this new era.

And part of the new era, of course, is the great interest on the Hill in intelligence, in the intelligence function. We're constantly up on the Hill testifying and giving briefings. Most of them are closed briefings, so you don't read about them in the press. We give on the average of some 60 briefings a week on the Hill on a wide variety of subjects. So that does require a quick response time.

Now, there -- one of the questions that people ask quite frequently is, "Well, aren't you getting all your information, or enough action, by technical means? And what about the role of human intelligence?"

Well, certainly we've made great technical strides. But all the machinery in the world cannot give you an insight into the motivations of a country's political leaders. So, the more capacity we have technically, the more we need to supplement it with information garnered from human sources, and the more we need to have our human collection systems synchronized with our technical collection systems.

So, human intelligence is going to continue to be a vital part of our operation. The espionage function is going to have to continue.

And there we get into the issue of what is the proper role for an intelligence agency. We're living in an era of what we might call "the new morality." Things that were accepted as perfectly natural 15 and 20 years ago today are looked upon with horror. We

really have, in a sense, changed the rules of the game substantially, as we go on. And there's been a good deal of investigation of this agency in the past. We continue to get one story after another in the press about something that happened 10 or 15 years ago. We had one just the other day in the case of India. And I confess that if I were to try and keep track of all that, I would be doing nothing but spending my time reading history instead of worrying about how we're organizing our capacity for the future.

The question is really quite simple: Do we want an intelligence function? And my view is that an intelligence function is absolutely essential for the security of our country. If we do want an intelligence function, then there has to be secrecy. Because, by definition, you can't gather intelligence if people know that their names are going to appear in the press or in some congressional hearing or at some court trial. We have to protect our sources and methods. But we're in an era where some people even make it a profession of trying to find out who our key sources are in other countries.

And, sure, we've had considerable problems, instances even where people's lives are put in danger. And I find it a bit peculiar -- when Herb commented the other day that a certain media organization said, "Well, we'd like to do a story on the KGB because we've been kicking the CIA around for a while now, and we'd like to kick the KGB around for a while. And would you please give us information to do that?" said by an American media organization, almost as if they were a spectator at a tennis match, rather than a participant with something very vital at stake.

Now, sure, there were abuses in the past; and nobody questions that. If you trace most of them back, you will find that the initiative for the abuses came in our government at the political level. But there were certainly mistakes of judgment, in certain instances, here in this agency. There were mistakes -- there are mistakes of judgment in virtually every federal agency.

I can remember in my HEW capacity one of the problems I had to deal with was the well-known syphilis experiment of some 50 or 60 years ago, when a group of black people were deliberately given syphilis to test what their reactions might be. And I found myself involved in the process of paying them compensation. I found it scandalous. But we didn't stop medical research because of that horror story. We tried to set up a certain system of safeguards, ground rules for human experimentation, so that that wouldn't happen again.

Similarly, in the intelligence function, I think that it's very important, as we go about examining our intelligence agencies, that we do so with the end goal in mind and that we not throw out the baby with the bathwater.

Now, there are ways of doing this. There are ways of protecting against the abuses that occurred in the past and against potential abuses in the future. One of the best ways is congressional oversight. And in our judgment, my judgment, and, I know, the Director's judgment, the Congress is moving in a very positive direction on this. The select committees, respectively, in the Senate and the House, are high-quality committees with good staffs who take their functions very seriously and take their security functions, their security responsibilities very seriously.

Another way, of course, is the confirmation process. And I went through a very thorough investigation, one month of investigation by seven Senate staff committee members and, I am told, some 50 FBI agents. That's as it should be when you go into a secret agency. But that kind of confirmation process, including eight hours of hearings, did not exist in the past.

We have an Intelligence Oversight Board, with three distinguished citizens, with the responsibility on the part of the general counsel, the Office of Inspections here, and the Director to report wrongdoings to them.

And we have, as you may be aware, just come out, and the President has signed, an executive order which builds in certain restrictions and builds in, perhaps more importantly, a process, so that everybody that can bring a point of view to bear on a given course of action is involved in the process. The Attorney General is involved from the civil liberties perspective. And in the case of what's called special action, commonly known as covert action, there is a process set up where proposals have to go through the National Security Council and the President, and then appropriate committees of Congress have to be briefed.

So there is a system of checks-and-balances built in, and that's as it should be.

And at the same time, we have to be very careful, as we move down the path towards charter legislation -- and I think charter legislation is highly desirable, because it puts a statutory base under the intelligence function. It says, "We, the American people, think that you ought to be there, and this is what we think you ought to be doing." At the same time, we've got to be very careful that we don't get overly detailed, that we don't build in too many restrictions that you stifle individual initiative, because the intelligence business requires risk-taking, both in gathering the information and in analyzing it.

There's a good deal of controversy, because you don't always have the facts, and people have to make judgments and they have to stick their neck out in making judgments on limited information. So, people have to know that while they'll be held to account, initiative will also be rewarded and that there is room

for enterprise in the whole process.

Right now, I think it's fair to say that a lot of the people that we deal with overseas are a bit nervous whether we can make our way through this dialogue, dialogue on the role of a secret agency in an open society, successfully.

My own judgment is that it's going to be difficult, we're going to have to deal with some very hard issues, but we can. And if we can, we will have achieved something that no country in history has done. And I think that, typically, we will be in the vanguard.

I, for one, am very pleased to be able to participate in this dialogue, and I am delighted to be in this agency with Admiral Turner, for whom I have very high regard, and to work with the kind of very dedicated and competent people that I've been working with for the past month and a half.

Thank you very much.

[Applause]

Q: In view of the fact that so much of the information that our intelligence at CIA gathers is publicly available to anybody, and in view of the fact that information-gathering has to be succeeded by analysis and evaluation, is there any consideration, then, given to opening up some of the publicly available information-gathering part of the organization, with the idea that it will remain public, it would have opportunities for other people to comment on it and help evaluate it, such as happens in other parts of economics and political analysis?

CARLUCCI: Yes, indeed. There's been a good deal of consideration given to that. And a number of our reports have been made public. There was a rather controversial one made public on the question of oil reserves. Wherever we can, we like to make our information public. It really doesn't relate so much to the sources of information, although we do use public sources, as you correctly stated. But we try to integrate, in a given analysis, the public sources with what we might get from clandestine sources as well to come out with a total picture.

But where we think we can protect our sources and methods, which is our only concern -- and the Director, indeed, has a statutory responsibility to protect sources and methods -- and where they're not in jeopardy, we're perfectly happy to release the information to the public. And we fully share the view that you've expressed, that we need criticism, we need feedback, we need comment.

One of the things that we're trying to address, as we look at our organization, is how we can get an independent review



of our product. And we have a stable of consultants that we draw on for that purpose. We're thinking of setting up such things as review boards. Because if you don't, you tend in this business, of course, to get into a certain thought pattern, and that thought pattern needs to be challenged. And we need -- also, we try to emphasize the role of dissent in our product. And I've seen since I've been here a number of pieces produced where there are dissents, generally by other agencies.

So, taking all those things into account, we do try to release as much as we can.

Herb's shop also has been running background briefings for journalists -- I don't know if you want to say a word about that -- that have been -- really aroused quite a bit of interest on the part of the journalists. Now, you never see them referred to because they're always on background; and that's part of the name of the game. But the journalists, by and large, do find them quite valuable.

Q: Since the State Department and the Department of Defense also gather a tremendous amount of information, I'm just wondering how much overlapping exists. This is an area of concern because of cost. And what kind of relationships, perhaps, exist between the CIA and other agencies to sort of minimize that effort and expense?

CARLUCCI: Well, as I mentioned earlier, the CIA was created as a coordinating agency. So there is implicit in that charter a responsibility to try and eliminate duplication. We are the single largest producer of all-source intelligence, but there are other agencies, as you correctly point out, that produce intelligence for specific purposes.

The Carter Administration has significantly broadened the charter of the Director of Central Intelligence in what we call a community role. He and I, in effect, wear two hats. We're the Director and Deputy Director of CIA, but we're also the Director and Deputy Director of Central Intelligence. In that latter capacity, we have a responsibility to make certain that resources are allocated in such a way to minimize duplication. And the Director plays a very strong role in the budget process.

This year, at the appropriations hearings, for example, he did not testify on the CIA budget; he testified on the community budget as a whole. I then -- different departments followed, and I testified on the CIA budget.

Having said that, let me point out that, unlike some other agencies, duplication in the intelligence business is not all bad, because you don't -- you very seldom have all the information you need to come to a conclusion, and you can't always rely on one

sources. Sources are fallible.

So, we need to be challenged in our assumptions. We need to check our sources. To do this, we need to communicate between the intelligence agencies, and duplication really has to be purposeful duplication. We have to say, "This problem is important enough and there are a sufficient number of variables in it so that we think we ought to proceed down two different tracks." But it's conscious duplication. The helter-skelter duplication we try to eliminate both in the budget process and in the coordination process, through what is called the National Foreign Intelligence Board, which is chaired by the Director, where the different intelligence agencies meet periodically and go over their respective priorities.

Q: You referred to briefings for journalists. One of the problems in your CIA travails in recent times has been the role of American journalists as either overt or covert or unwitting agents working with or without the CIA. What is the policy now and what do you think of utilizing journalists, American journalists in particular?

CARLUCCI: At one point there was a thesis that we shouldn't have contact with any journalists. And then the logical question came up, "Well, what if we happen to have a contact with a Tass representative?"

"Well, oh, sure. That's all right."

"Why?"

"Well, because he's a Communist."

"Oh, well, how about a Yugoslav?"

"Well, that's all right, too."

"And maybe an Iranian. They don't have a free press there."

"Yeah, that's all right."

Well, where do you draw the line? We decided to draw the line at accredited representatives of American media organizations, and said, in effect, that there will be no contractual relationship, that we cannot, to use an intelligence term, task a journalists. Even though there is no contractual or paid relationship, we cannot unlike our State Department colleagues, for example, we cannot say to a journalist, "Hey, would you -- if you're out looking at that place, would you let me know what's happening there or what so-and-so is thinking?" The State Department can do that; we can't do that. And for good and sound reasons, I think, sure. Journalism is given

special protection under the Constitution.

At the same time, we think we would be violating the rights of the journalist to say, "You can't come in and talk to us and volunteer to serve your country. If you want to give us information, you should have that right."

So our regulations, in effect, prohibit any contractual relationship or tasking, but do allow journalists, of their own volition, to cooperate with us. And I think that's a fair distinction.

And the question is timely because the Director had a hearing on that this morning. So you'll probably be reading something about it in the papers tomorrow.

I don't know, Herb, if you were up at the hearing. I think -- I heard it went rather well on that subject.

Q: Can you give us any information, even in a broad way, of what the role of CIA would be in a high-level defection, like the Shevchenko defection, or a similar defection of that nature?

CARLUCCI: Well, obviously, we are interested in defectors, of course, depending on their position and the information that they give us. We are allowed by statute to let people into this country. We have a certain number -- I believe it's a hundred -- that we can allow in, under statute, without regard to the immigration laws. Once we do this, obviously, we're interested in the information they can furnish, and we try to help them get established in American society. In many cases, that means a concealing -- in most cases, in fact -- concealing their identity and helping them to get started. And there are sometimes some very trying situations.

I had in my office the other day a man who defected, oh, some 15 or 20 years ago, and reestablished himself here, established a new identity, had a family, married and had a family here, was living very happily in a small community; and his name has now popped up again in the newspapers. And he is very distressed.

To the extent we can, we try and help, as I say, people get reestablished in this country, but it's not always easy. They're used to a different environment, so it takes a lot of effort and a lot of handling.

Q: There've been at least two books written that have been, I would say, somewhat damaging to CIA, one by a man who no longer has a country, because no one will take him in, and the other by a man who seems to continue to get quite a bit of press. And I wonder whether you feel that the courts give the CIA enough protection against agents who decide on their own they're going to write

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a book, when they've signed an agreement they aren't going to do so? You know, they're sort of compromising their own principles, but nevertheless they still are damaging, I think, to the CIA.

CARLUCCI: There's no question about it. I, for example, was in Portugal when Mr. Agee came out with an expose of CIA in Portugal, and listed all our names and addresses, even going to the point of saying, "Joe Doe lives on the second floor. Turn to the right when you get off the elevator." And those people had families, and we've seen the results of what can happen in that case.

So, I feel, personally, very strongly.

At the same time, the issue is a little bit more complex than it seems, because when you attempt -- first of all, we don't have an Official Secrets Act in this country. So, if you -- unless there is espionage committed, you really have to deal with the issue on a breach-of-contract basis; and that's what's being done right now in the case of Frank Snepp. The trial hasn't started but the disclosure motions, the pre-trial motions are underway. He breached his contract, and you can sue for damages in that case. It should be a landmark case, to see if our contracts are valid.

But the other issue -- if you say -- it's quite easy to say, "Well, we ought to have a law that really punishes, puts criminal sanctions on people who give out intelligence information," you then face the problem of our judicial system and the issue of discovery, because almost always, in a court case, you have to produce and verify the information that is given out. And then you have to go that one step further, under discovery: somebody is entitled to know just a little bit more. So you begin to -- you have to weigh one risk, you have to weigh the risk of further disclosure against the gain. And at a minimum, you're confirming the information he gave out.

So, it's a difficult issue that we will be wrestling with in the context of the charter legislation that has been introduced on the Hill.

Q: Who has the right to come to you to ask for intelligence?

CARLUCCI: Well, anybody has the right to ask us for any kind of information. Indeed, we are rapidly, under the Freedom of Information Act, becoming the purveyors of information for the world. We, last year, devoted some 109 man-years to responding to Freedom of Information requests. If my memory serves me correctly, we had some 16,000, including requests from foreign embassies. So, if the Soviet Embassy writes us and asks us for information, under the Freedom of Information Act, we have 10 days in which to respond,

and we have 20 days, if we say no, we have 20 days in which to respond to their appeal. Quite frankly, with the volume of requests we're getting and with the compartmentalization that exists in this Agency for security reasons where we have to search through dozens of different files and computer systems, there's no conceivable way we can respond to these requests. But a good number of embassies are now discovering that we have a legal obligation, so we are getting requests from foreign embassies. We got a request the other day from an East German, so it's quite clear that anybody can request intelligence of us. I think I've got time for about one more question. Yes Sir.

Q: Does the Freedom of Information Act apply to foreign governments? I thought it was just American citizens?

CARLUCCI: No Sir. There is no restriction. We have to respond to foreign governments. If that's a quick one, I'll take one more.

Q: Would you care to comment on the periodic reports of strange relations between the CIA and FBI?

CARLUCCI: I don't find them strange at all. In fact, I find the coordination excellent between the CIA and the FBI. We're going to be joined in testifying on the charter legislation. We're working very closely with them on common problems. Under the executive order we are required to coordinate very closely with them in counter intelligence cases. This doesn't mean that in the past there haven't been differences on counter intelligence issues which are natural when any two government agencies have to coordinate on a difficult problem, but I don't sense any difficulty whatsoever between the CIA and the FBI today. I think I'm going to have to run back to my crisis, if you'll forgive me. Thank you very much.